



National Regulatory
Research Institute

NRRI
in association with the
The Public Service Commission of South Carolina,
The South Carolina Office of Regulatory Staff,
and
The South Carolina Public Utilities Review Committee
presents

**Electricity's Current Challenges:
Renewable Energy, Energy Efficiency, "Modern" IRP, and
Transmission**

December 13-14, 2010 • Columbia, SC

*An In-Person Seminar with
[Scott Hempling, Esq.](#), NRRI Executive Director*

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Electricity regulation is growing more complicated. Legislators and the public want to see more renewable energy in the nation's mix. Doing so requires attention to production cost and the effect of variable power supplies on utility operations. Transmission policy must keep up with all these changes in policymakers' preferences. Policymakers also want to see more energy efficiency, provided we can design programs properly and measure and verify the results. And how might federal energy legislation affect all these efforts?

Speaking of programs, the recession has caused many of our citizens to seek help with utility bills. How do we design and assess the best assistance programs? Since all these efforts need to be part of a systematic resource planning process, states are modernizing their 1990s-era integrated resource planning process.

This 9-hour, two-day seminar will address these issues.

Who Should Attend

Whether you're an attorney, economist, engineer, commissioner, legislator, or manager of a public or private entity—beginner or veteran—this seminar will strengthen your decisionmaking.

Join the ranks of the thousands of professionals from all 50 states and every industry sector, many of whom have returned repeatedly to hear NRRI's seminars on the electricity industry. You'll gain the insights you need to better grasp the industry's ever-changing landscape.

What's more, you'll have plenty of opportunities to find new colleagues, share ideas, build your network, and strengthen your organization. Find out what your colleagues are doing—or will do—as they anticipate and adapt to the changing electric industry.

Program Information

Here's an outline of the topics we'll cover during this comprehensive two-day workshop:

Day One

I. Renewable Energy: Building Blocks for a State Policy

- A. Mission
- B. Budget
- C. Power supply mix
- D. Market structure
- E. Basis for rates
- F. Utility obligations
- G. Customer education
- H. Accountability options
- I. Evaluative criteria

II. The Integration of Variable Power Supplies

- A. How does variability affect utility operations?
 - 1. Unit commitment
 - 2. Economic dispatch
 - 3. Regulation
 - 4. Load following

B. Industry experience and studies

1. Load forecasting
2. Wind forecasting
3. Demand-response role
4. Ramp vs. contingency event
5. The role of modeling

C. Solutions

1. Forecasting
2. Geographic diversity
3. Storage options
4. Market options
5. Regulatory approaches: cost accountability and transmission planning

III. Energy Efficiency: How Do We Measure and Verify Effectiveness?

A. Types of costs

1. Incremental equipment and installation
2. Program overhead
3. Incentive payments

B. Types of benefits

1. Avoided energy costs, avoided capacity costs
2. Bill savings
3. Additional resource savings
4. Non-monetized benefits
5. Economic development

C. Cost-effectiveness tests

1. Participant cost test
2. Utility cost test
3. Ratepayer impact measure test
4. Total resource cost test
5. Societal cost test

D. Measurement and verification processes

1. Independent reviews
2. Evaluation objectives: improvement, accountability, reliability
3. Things to evaluate: impact, processes, markets

IV. Low-Income Assistance: How Can We Ensure Cost Effectiveness?

- A. The criterion of cost effectiveness
- B. Regulators' responsibility and roles
- C. Utility's responsibility and roles
- D. Types of energy assistance programs
- E. Criteria for evaluating programs
- F. Problems to avoid
- G. The design process

V. Integrated Resource Planning: Should We Modernize the Process?

- A. Scenario planning vs. integrated resource planning: What are the differences?
- B. Define the question
- C. Define the starting point for alternative scenarios
- D. Explore the unexpected
- E. Identify key drivers
- F. Assess potential actions
- G. Make plans
- H. Monitor conditions and modify plans

Day Two

VI. New Federal Energy Legislation: What Are Its Possible Elements, and How Will They Affect the States?

- A. Renewable electricity standard
- B. Carbon capture and sequestration: research and performance standards
- C. Plug-in hybrids: state consideration
- D. Smart grid goals
- E. Transmission planning and siting
- F. Net metering for federal buildings
- G. FERC Office of Consumer Advocate

VII. The Coming Cost Increases: Are Customers Ready?

- A. Today's consumers: victims or actors?

- B. Today's consumer education: empowerment and responsibility
- C. Consumer education's challenges: politics and metrics

VIII. Transmission in Transition: What Do FERC's Initiatives Mean for the States?

- A. Transmission fundamentals
 - 1. Terminology: What is "transmission"?
 - 2. The ten features of transmission policy
 - 3. Technical concepts
- B. The transmission transition: from local monopoly to regional markets
 - 1. Origins
 - 2. Step 1: Utility retains control, but "unbundles" transmission from generation
 - 3. Step 2: Regional transmission organizations receive operational control
 - 4. Policy forces stimulating the transition
- C. Transmission friction points: challenges and solutions
 - 1. Cost recovery
 - 2. Planning
 - 3. Siting: Who has jurisdiction?
 - 4. Reliability: Who has responsibility, and who has jurisdiction?
 - 5. Congestion: What pricing?
 - 6. RTO membership stability: Who decides entries and exits?
 - 7. New forms of transmission ownership: "transco" or "merchant" owners

Date/Time

Monday, December 13: 9:30 a.m. – 3:30 p.m. *(Please arrive by 9 a.m. to register)*

Tuesday, December 14: 9:30 a.m. – 3:30 p.m.

A continental breakfast and lunch will be provided on both days.

Location

The River Center at Saluda Shoals Park

5605 Bush River Road

Columbia, SC 29212

803-772-1228

www.icrc.net/SaludaShoals

Cost

\$150 government and nonprofit organizations

\$350 all others

CLE Credit

Attendees apply for credit on their own. All prior in-person seminars by Scott Hempling or NRRI have been approved for CLE credit. We will provide proof of attendance, resume, class schedule, and all other materials traditionally required for CLE credit. This seminar is designed to offer 9 hours of CLE credit.

How to Register

Click [here](#) to register. For more information, please email nrri.seminars@nrri.org.

Seminar Leader

Scott Hempling, Esq. is the Executive Director of the National Regulatory Research Institute. As an attorney in private practice, he represented many state commissions. His legal and policy research has included mergers and acquisitions, the introduction of competition into formerly monopolistic markets, corporate restructuring, ratemaking, utility investments in nonutility businesses, and state-federal jurisdictional issues.

Mr. Hempling received a B.A. *cum laude* in (1) Economics and Political Science and (2) Music from Yale University, where he was a recipient of a Continental Grain Fellowship and a Patterson research grant. He received a J.D. *magna cum laude* from Georgetown University Law Center, where he was the recipient of an *American Jurisprudence* award for Constitutional Law.

He has appeared numerous times before committees of the U. S. Congress and before state legislative committees in Arkansas, California, Maryland, Minnesota, Nevada, North Carolina, South Carolina, Vermont, and Virginia. He has published articles in *The Electricity Journal*, *Public Utilities Fortnightly*, and other professional publications.

Register Now

The National Regulatory Research Institute is a section 501(c)(3) corporation established by the National Association of Regulatory Utility Commissioners (NARUC).

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